

Syllabus BMGT 446

International Finance

Course Information

Course Title: INTERNATIONAL FINANCE

Course Number: BMGT446

Term: *Spring/2023*

Credits: 3

Course Dates: From Jan 25th, 2023 - May 24th, 2023

Course Times:

Section 101: Tues/Thurs 3:30pm-4:45pm - Van Munching Hall 1206

Section 201: Tues/Thurs 11:00am-12:15pm - Van Munching Hall 1206

Section 301: Tues/Thurs 2:00pm- 3:15pm - Van Munching Hall 1206

Professor: Bruno Pellegrino (bpellegr@umd.edu)

Teaching Assistants: Fuyu Song (fsong1@umd.edu)

Office Phone: n/a

Office Hours: via ELMS forum (course-related); via Zoom by appointment (non-course-related)

Course Description

Dear students,

Welcome to BGMT 446 - International Finance!

Business is conducted, ever more frequently, internationally. More companies than ever invest abroad; sell their products abroad; buy goods and services from abroad; produce abroad; raise capital abroad. All of these activities are the subject of study in this course.

The reason why studying International Finance is important is that doing business overseas is quite different from doing business at home: when doing business abroad, a whole set of unique challenges and opportunities come into play. The objective of this class is to help you acquire the skills to understand and manage these risks and opportunities and to better prepare you for a career where you'll likely be doing business in other countries.

Because of financial globalization, this is likely to be the case for many of you. Whether we like it or not, financial globalization has been happening and will likely continue to unfold for many years to come. The ability to understand and manage the risks and opportunities that come with doing business internationally is an asset that will make you more valuable in the eyes of prospective employers, and one that is likely to appreciate in the future.

About the Instructor

I am a tenure-track professor in the Finance Department of UMD Smith. Unlike most other tenure-track instructors, I have real-world experience working in the Foreign Exchange trading floor of a major investment bank. I have drawn from my past professional experience to design this class and the activities. I want this course to be fun, interesting, but - most importantly - useful for your future careers. My goal is that this class will make you confident and excited about working in international finance.

Course Structure

Our class schedule will closely follow the textbook that I have chosen for this course. We'll go by chapters.

Course Materials & Software (Required)

- Book: [International Financial Management](#) (9th Edition) by Cheol Eun and Bruce Resnick and Tuugi Chuluun - ISBN10: 1260013871 - ISBN13: 9781260013870
- Students should purchase access to Online Course material (including ebook) of the above through MGH Connect. Registration link and support available on ELMS. MGH Connect registration also provides an option to buy the physical book for less than 40\$.
- Case Studies: I have built a custom Harvard Business Case pack for this class. This is mandatory, because one of the assignments is the classroom discussion of the case. Link to purchase: <https://hbsp.harvard.edu/import/1020263>
- Alternatively, you can purchase the Connect Access (includes ebook) + Casebook as a [combo](#) (95\$)

Software Requirements

Software Name	How to Access it
MGH Connect (Online Book Materials)	Full Link and Instructions on ELMS (Canvas)

Assignments

Individual Assignments

- Smartbook Readings (due on Monday of the following week)
- Quizzes (due on Friday of the corresponding week)

Team Assignments

- Case Presentations (presentation will be done on the Thursday of the corresponding week)

Grading Structure

Assignment	Percentage %
Smartbook Readings & Questions	10%
Quizzes	42.5%
Case Presentations	42.5%
Participation	(Less than) 5%
Total	100%

Course Outline

Week #	Dates	Topic	Deliverables
1	Thursday, January 26, 2023	Introduction	ERC Chapter 1 (Due Feb.6 , grace period ends Feb. 13)
2	Tuesday, January 31, 2023 Thursday, February 2, 2023	The International Monetary System	ERC Chapter 2 (Due Feb. 13, grace period ends Feb. 20)
3	Tuesday, February 7, 2023 Thursday, February 9, 2023	Basics of FX Markets	ERC Chapter 5 (Due Feb. 20, grace period ends Feb. 27)
4	Tuesday, February 14, 2023 Thursday, February 16, 2023	International Parity Relations and Forecasting	ERC Chapter 6 (Due Feb. 27, grace period ends March 6) - Quiz 1 (Due Feb. 24, grace period ends March 3)
5	Tuesday, February 21, 2023 Thursday, February 23, 2023	Interest Rates and currency Swaps	ERC Chapter 14 (Due March 13, grace period ends March 27)
6	Tuesday, February 28, 2023 Thursday, March 2, 2023	FX Futures and Options Guest Lecture on Thurs.	ERC Chapter 7 (Start) - Quiz 2 (Due March 17, grace period ends March 31)
7	Tuesday, March 7, 2023 Thursday, March 9, 2023	FX Futures and Options	ERC Chapter 7 (Due April 3, grace period ends April 10) - Porsche Case Presentation
8	Tuesday, March 14, 2023 Thursday, March 16, 2023		ERC Chapter 8 (Start) - London Whale Case Presentation
9	Tuesday, March 28, 2023 Thursday, March 30, 2023	Management of Transaction Exposure	ERC Chapter 8 (Due April 10, grace period ends April 17) - Quiz 3 (Due April 14, grace period ends April 21)
10	Tuesday, April 4, 2023 Thursday, April 6, 2023		ERC Chapter 12 (start) - Asian Crisis Case Presentation
11	Tuesday, April 11, 2023 Thursday, April 13, 2023	International Bond Markets	ERC Chapter 12 (Due April 17, grace period ends April 24) - Argentina Case Presentation
12	Tuesday, April 18, 2023 Thursday, April 20, 2023	International Equity Markets	ERC Chapter 13 (Due April 24, grace period ends May 1) - Quiz 4 (Due May 12, grace period ends May 19)
13	Tuesday, April 25, 2023 Thursday, April 27, 2023	Foreign Direct Investment	ERC Chapter 16 (Due May 1, grace period ends May 8) - LTCM Case Presentation
14	Tuesday, May 2, 2023 Thursday, May 4, 2023	Foreign Portfolio Investment	ERC Chapter 15 (Due May 8, grace period ends May 15) - Brexit Case Presentation

Course Policies

University Class Policies

Students are responsible for knowing their rights and reviewing all course related policies found at this link to [UMD's Office of Undergraduate Studies website](#).

Class Discussions and Participation Guidelines

The primary goal of our discussions is to enhance the collective learning of the class. The following guidelines can help you make effective contributions to our class discussions. Please see the following list of tips for effective and meaningful discussion participation.

Examples of Good Discussion Contributions:

- Comments that report and explain content, opinions, or analysis by stating clear assumptions, critically self reflecting, citing specific sources, and/or conducting explicit, systematic analysis
- Comments/questions that provide or seek clarification
- Comments with good timing as well as good substance providing substantiated claims and evidence and sharing sources where possible
- Comments that make points clearly
- Comments that move learning forward by building an argument and/or drawing on other comments without repeating
- Comments that respectfully articulate a point of agreement/disagreement

Examples of Ineffective Discussion Contributions:

- Destructive attacks
- Interrupting peers
- Monopolization of the discussion
- Disrespectfully articulating a point of agreement/disagreement
- Out-of-sequence comments / destroying the flow of class discussion

Resources & Accommodations

Accessibility and Disability Services

The University of Maryland is committed to creating and maintaining a welcoming and inclusive educational, working, and living environment for people of all abilities. The University of Maryland is also committed to the principle that no qualified individual with a disability shall, on the basis of disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of the University, or be subjected to discrimination. The [Accessibility & Disability Service \(ADS\)](#) provides reasonable accommodations to qualified individuals to provide equal access to services, programs and activities. ADS cannot assist retroactively, so it is generally best to request accommodations several weeks before the semester begins or as soon as a disability becomes known. Any student who needs accommodations should contact me as soon as possible so that I have sufficient time to make arrangements.

For assistance in obtaining an accommodation, contact Accessibility and Disability Service at 301-314-7682, or email them at adsfrontdesk@umd.edu. Information about [sharing your accommodations with instructors](#), [note taking assistance](#) and more is available from the [Counseling Center](#).

Student Resources and Services

Taking personal responsibility for your own learning means acknowledging when your performance does not match your goals and doing something about it. I hope you will come talk to me so that I can help you find the right approach to success in this course, and I encourage you to visit [UMD's Student Academic Support Services website](#) to learn more about the wide range of campus resources available to you.

In particular, everyone can use some help sharpen their communication skills (and improving their grade) by visiting [UMD's Writing Center](#) and schedule an appointment with the campus Writing Center.

You should also know there are a wide range of resources to support you with whatever you might need ([UMD's Student Resources and Services website](#) may help). If you feel it would be helpful to have someone to talk to, visit [UMD's Counseling Center](#) or [one of the many other mental health resources on campus](#).

Basic Needs Security

If you have difficulty affording groceries or accessing sufficient food to eat every day, or lack a safe and stable place to live, please visit [UMD's Division of Student Affairs website](#) for information about resources the campus offers you and let me know if I can help in any way.

Statement on Diversity and Inclusion

As part of the [Smith School's commitment to diversity and inclusion](#), we recognize the importance of a diverse student body as necessary to a THRIVING environment. We are committed to fostering inclusive and equitable classroom environments. The Robert H. Smith School of Business strives to ensure all members of the Smith community feel welcomed, valued, and proud of every aspect of who they are. Through education, knowledge creation, advocacy, programming, and support, Maryland Smith commits to building an inclusive community that fosters a sense of belonging among all stakeholders.

I invite you, if you wish, to tell us how you want to be referred to both in terms of your name and your pronouns (he/him, she/her, they/them, etc.). The pronouns someone indicates are not necessarily indicative of their gender identity. Additionally, how you identify in terms of your gender, race, class, sexuality, religion, and dis/ability, among all aspects of your identity, is your choice whether to disclose (e.g., should it come up in classroom conversation about our experiences and perspectives) and should be self-identified, not presumed or imposed. I will do my best to address and refer to all students accordingly, and I ask you to do the same for all of your fellow Terps.

Technology Policy

Please refrain from using cellphones, laptops, and other electronic devices during class sessions unless we have designated such use as part of a class exercise.

[Guidelines for technology policies used by Smith instructors.](#)

Netiquette Policy

Netiquette is the social code of online classes. Students share a responsibility for the course's learning environment. Creating a cohesive online learning community requires learners to support and assist each other. To craft an open and interactive online learning environment, communication has to be conducted in a professional and courteous manner at all times, guided by common sense, collegiality and basic rules of etiquette.

Faculty Expectations

- Instructor and TAs will mostly communicate outside of the classroom environment through the ELMS discussion forum, where questions will generally be answered by either the instructor or the TAs within a couple of days. Feedback on assignments and grades will be returned in a timely manner, within a week.

Student Expectations

- Students are expected to attend all classes in person and complete all their assignments before the syllabus due date. Please note that Zoom is not an option (unless the school mandates a switch to Zoom due to an increase in COVID cases) and under no circumstances classes will be recorded. For those who cannot attend a class in person, slides will be provided, although reading book chapters is sufficient to do well in the assignments and pass the classes. Due to the exceptional circumstance of COVID, there will be an automatic, non-extendable 1-week grace period applied to all quizzes and Smartbook assignments. Students do not need to ask for it or justify its use (no need to email the instructor or the TAs about it). It is of utmost importance that this automatic grace period should only be used to accommodate exceptional circumstances. All grades and assignment questions are delivered at the expiry of the grace period: for this reason, the instructor and the TAs will not be able to respond to requests to extend the automatic grace period. The only exception (consistent with university policy) is a properly-documented, strictly exceptional event that excuses the students for more than 8 days (for example, a properly-documented 10-day hospitalization). Please see University Policy for more information.
- Use of the ELMS class discussion board for all course-related questions is strictly mandatory. Course-related questions (whose answer might be of interest to classmates) will generally not be answered by email. Examples of a course-related question is “Does the Uncovered Interest Rate Parity hold in practice?” or “How long should the case presentation be?”. Email communication should be reserved for questions/requests that are not of direct relevance to the class as a whole. Examples of non-course related questions are: “I am interested in exploring academic research opportunities in international economics and finance - where do I start?” or “I was hospitalized with COVID-19 for 10 days and will not be able to deliver Quiz #3 by the end of the grace period. Can I be exempted from this assignment? I am attaching documentation”.

How to Be Successful in this Class

While the following is not an exhaustive list and in no way can replace your grade in this class, the rubric below can assist you in clarifying how to be successful in this course. If you are concerned at any time that you are falling behind please contact me via canvas email as soon as possible.

Unsatisfactory	Beginning	Developing	Excellent
Poor attendance	Mostly on-time attendance	Consistent, on-time attendance	Consistent, on-time attendance
Little or no meaningful contribution to class discussion	Occasional participation or contributions to class discussion	Frequent meaningful participation or contributions to class discussion	Consistent meaningful participation or contributions to class discussion
No or late submission of major assignments	On-time submission of all assignments	On-time submission of all assignments	On-time submission of all assignments
Minimal effort on assignments (inside and outside of class)	Demonstrated effort on some assignments	Demonstrated effort on most assignments	Demonstrated effort on all assignments

No high quality output on any learning assessment or subpar quality across several learning assessments	High quality output on some learning assessments	High quality output on most learning assessments	High quality output on all learning assessments
Disrespectful classroom etiquette	Respectful classroom etiquette	Respectful classroom etiquette	Respectful classroom etiquette

Attendance and Participation

- Given the interactive style of this class, attendance will be crucial to note-taking and thus your performance in this class. Attendance is particularly important also because class discussion will be a critical component for your learning.
- Each student is expected to make substantive contributions to the learning experience, and attendance is expected for every session.
- Students with a legitimate reason to miss a live session should communicate in advance with the instructor, except in the case of an emergency.
- Students who miss a live session are responsible for learning what they miss from that session.
- Additionally, students must complete all readings and assignments in a timely manner in order to fully participate in class.

Absences and Late Policy

Late assignments require prior permission from the instructor and must be accompanied by a legitimate reason for not meeting a target deadline.

[The complete university policy on absences can be found here.](#)

As per university policy, one missed class with an email notification (preferably before) is acceptable. For absences longer than 1 class session, or more than twice in the semester, documentation is required. With appropriate documentation students will be given (add in your policy here e.g. 1 week from documentation to take the assignment and ½ points for 2 weeks after documentation receipt.)

i.e. For Major Scheduled Graded Events (MSGEs), only University approved absences (religious observance, unforeseen life circumstances out of your control (with documentation), or documented illnesses with appropriate documentation will be accepted.

Academic Integrity

The University's [Code of Academic Integrity](#) is designed to ensure that the principles of academic honesty and integrity are upheld. In accordance with this code, the Smith School does not tolerate academic dishonesty. Please ensure that you fully understand this code and its implications because all acts of academic dishonesty will be dealt with in accordance with the provisions of this code. All students are expected to adhere to this Code. It is your responsibility to read it and know what it says, so you can start your professional life on the right path. **As future professionals, your commitment to high ethical standards and honesty begins with your time at the Smith School.**

It is important to note that course assistance websites, such as CourseHero, are not permitted sources for Smith School courses, unless the instructor explicitly gives permission for you to use one of these sites. Material taken or copied from these sites can be deemed unauthorized material and a violation of academic integrity. These sites offer information that might not be accurate and that shortcut the learning process, particularly the critical thinking steps necessary for college-level assignments.

Additionally, it is understandable that students may use a variety of online or virtual forums for course-wide discussion (e.g., GroupME or WeChat). Collaboration in this way regarding concepts discussed in this course is permissible. However, collaboration on graded assignments is strictly prohibited unless otherwise stated.

Examples of prohibited collaboration include: asking classmates for answers on quizzes or exams, asking for access codes to clicker polls, etc.

Finally, on each exam or assignment you must write out and sign the following pledge:

"I pledge on my honor that I have not given or received any unauthorized assistance on this exam/assignment."

Please visit the [Office of Undergraduate Studies' full list of campus-wide policies](#) and follow up with me if you have questions.

To help you avoid unintentional violations, ***the following table*** lists levels of collaboration that are acceptable for each type of assignment. If you ever feel pressured to comply with someone else's academic integrity violation, please reach out to me straight away. Also, ***if you are ever unclear*** about acceptable levels of collaboration, ***please ask!***

	 Open Notes	 Use Book	 Ask Friends	 Search Online	 Work in Groups
	Students may look at their class notes while they complete this deliverable	Students may look at the assigned course textbook/readings while they complete this deliverable	Students may get help from classmates, friends, or others to complete this deliverable	Students may search the web for related ideas or information while they complete this deliverable	Students may complete the deliverable through joint work with others
Smartbook Readings	✓	✓		✓	
Quizzes	✓	✓		✓	
Case Study Presentations	✓	✓	✓	✓	✓

Course Evaluation

Please submit a course evaluation through CourseEvalUM in order to help faculty and administrators improve teaching and learning at Maryland. All information submitted to CourseEvalUM is confidential. Campus will notify you when CourseEvalUM is open for you to complete your evaluations for fall semester courses. Please go directly to the [Course Eval UM website](#) to complete your evaluations. By completing all of your evaluations each semester, you will have the privilege of accessing through Testudo, the evaluation reports for the thousands of courses for which 70% or more students submitted their evaluations.

Copyright Notice

Course materials are copyrighted and may not be reproduced for anything other than personal use without written permission.